GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:3021
ANSWERED ON:22.12.2003
DISINVESTMENT OF MAJORITY STAKE OF STEEL PLANT OF SAIL
BASUDEB ACHARIA

Will the Minister of STEEL be pleased to state:

(a) whether the Government has decided to disinvest majority stake in some plants of Steel Authority of India Limited (SAIL);

(b) if so, the details and the reasons therefor;

(c) whether the Government has also decided to reduce manpower to one lakh by 2005; and

(d) if so, the details of employees presently working and also the number out of them to be reduced, plant-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) & (b): Yes, Sir. The financial and business restructuring package for Steel Authority of India Ltd. (SAIL) that was approved by the Government in February 2000, inter alia, envisaged divestment of following non-core assets :-

- Captive Power Plants at Bokaro Steel Plant (BSL), Durgapur Steel Plant (DSP), Rourkela Steel Plant (RSP) & Bhilai Steel Plant (BSP).
- Oxygen Plant-II of BSP.
- Salem Steel Plant (SSP), Salem.
- Alloy Steels Plant (ASP), Durgapur.
- Visvesvaraya Iron & Steel Plant (VISP), Bhadrawati.
- Fertiliser Plant at Rourkela.
- Conversion of IISCO into a joint venture with SAIL holding minority share holding.

This was done with a view to provide SAIL with the long term competitiveness in its core business of carbon steel and to separate activities, which are ancillary to the main business.

(c) & (d): Yes, Sir. SAIL entered into a Memorandum of Understanding (MoU) with Government to achieve this level of manpower for the company as a whole and not unit-wise. Effort are on to achieve the targeted level.

Number of employees in SAIL steel plants/units as on 31.10.2003 are as under :

Plant	No. of employees
Bhilai Steel Plant	37907
Durgapur Steel Plant	17301
Rourkela Steel Plant	24227
Bokaro Steel Plant	36738
Alloy Steels Plant	2813
Salem Steel Plant	1350
Visvesvaraya Iron & Steel Plant, Bhadrawati	2932
Raw Materials Division	5527
Central Marketing Organisation	2860
Other Units	2318
TOTAL	133973